



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2011 Biennium

Bill #	HB0550	Title:	Increase funding for Indian education for all
Primary Sponsor:	Sands, Diane	Status:	As Introduced

- | | | |
|---|--|--|
| <input type="checkbox"/> Significant Local Gov Impact | <input checked="" type="checkbox"/> Needs to be included in HB 2 | <input type="checkbox"/> Technical Concerns |
| <input type="checkbox"/> Included in the Executive Budget | <input type="checkbox"/> Significant Long-Term Impacts | <input type="checkbox"/> Dedicated Revenue Form Attached |

FISCAL SUMMARY

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
Expenditures:				
General Fund	\$2,957,587	\$2,941,316	\$2,962,478	\$2,962,164
Revenue:				
General Fund	\$0	\$0	\$0	\$0
Net Impact-General Fund Balance:	<u>(\$2,957,587)</u>	<u>(\$2,941,316)</u>	<u>(\$2,962,478)</u>	<u>(\$2,962,164)</u>

Description of fiscal impact: HB 550 provides for an increase in the funding for the Indian Education for All component of the general fund. The increase is fully funded by the state, and will result in additional state general fund expenditures of \$3.0 million per year ongoing.

FISCAL ANALYSIS

Assumptions:

- The Indian Education for All payment is paid based on the average number belonging (ANB) used to determine the general fund budgets for K-12 public schools. ANB estimates are as follows:

	<u>FY 2009</u>	<u>FY 2010</u>	<u>FY 2011</u>	<u>FY 2012</u>	<u>FY 2013</u>
K-6 ANB	77,753	77,541	77,951	79,887	80,769
7-8 ANB	23,353	22,832	22,531	22,448	22,394
9-12 ANB	<u>48,642</u>	<u>47,673</u>	<u>46,734</u>	<u>45,889</u>	<u>44,971</u>
	149,748	148,046	147,216	148,224	148,134

2. Current laws provides for an Indian Education for All payment of \$20.40 per ANB in each district, or \$100, whichever is greater. HB 550 increases the rates to \$40 per ANB in each district, or \$500, whichever is greater. The state general fund pays 100% of the cost of this school funding component which would increase \$2.9 million per year.
3. HB 550 holds the basic and per-ANB entitlements at the current FY 2009 levels. The basic and per-ANB entitlements are as follows:

<u>Entitlement</u>	
Elementary Basic	\$21,922
Middle School Basic	\$62,083
High School Basic	\$243,649
Elementary Per-ANB	\$4,716
High School Per-ANB	\$6,037

4. Direct State Aid, GTB and other general fund components are computed with the school funding model used by the Office of Public Instruction, the Legislative Fiscal Division and the Office of Budget and Program Planning using current statutory entitlements, enrollment estimates and estimated property tax values.
5. There would be an additional county retirement cost of about \$45,000 each year.

	<u>FY 2010 Difference</u>	<u>FY 2011 Difference</u>	<u>FY 2012 Difference</u>	<u>FY 2013 Difference</u>
<u>Fiscal Impact:</u>				
<u>Expenditures:</u>				
Local Assistance (Indian Education)	\$2,912,074	\$2,896,811	\$2,916,568	\$2,914,804
Local Assistance (Co. Retirement)	\$45,514	\$44,505	\$45,910	\$47,360
TOTAL Expenditures	<u><u>\$2,957,588</u></u>	<u><u>\$2,941,316</u></u>	<u><u>\$2,962,478</u></u>	<u><u>\$2,962,164</u></u>
<u>Funding of Expenditures:</u>				
General Fund (01)	\$2,957,588	\$2,941,316	\$2,962,478	\$2,962,164
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	(\$2,957,588)	(\$2,941,316)	(\$2,962,478)	(\$2,962,164)

Sponsor's Initials

Date

Budget Director's Initials

Date